

**2001 ENVIRONMENTAL NEGOTIATIONS COMPETITION
CONFIDENTIAL INSTRUCTIONS FOR LLI ATTORNEYS
ROUND 1**

Your goals are threefold: save the company money, ensure certainty of obligations at this plant for the future, and resolve the matter civilly (the pending criminal case is a big threat to the company's operations elsewhere as well as at this facility). Because of LLI's corporate policy, almost all costs will be borne by the Hagenville Plant, not by the corporation generally, so you have a strong incentive to keep costs low.

With respect to the specific housekeeping issues, you have more expertise than the DA and you believe you can demonstrate that the following steps will be adequate:

1. Outside sawdust pile. The DA would like to have no daytime outside pile, but this would make operations difficult. The piles can be covered when not in use, and fenced. The sawdust can be inside at night, but LLI needs an emergency exemption for overnight outside storage: sometimes the particle board plant must be shut for emergency repair, and sawdust from mills continues to arrive.
 2. Front loaders. Bargain for some time for implementation to reduce costs.
 3. Press vents. This is a tough issue. A full scale covering would be expensive and LLI believes it would not in fact be effective. A four-sided fence with cloth sides and no top would be less expensive and would contain some of the emissions. Note that the company currently has an air emissions permit that allows these emissions, and the permit does not require any covering.
 4. General maintenance. LLI agrees that it needs to pay more attention to housekeeping. Once or twice a day maintenance of the parking lot could help and would be acceptable. The roof is a different problem. Working on the roof is dangerous at all times, but particularly in the dark. Once a day inspection/maintenance is the maximum that we should consider for the roof.
 5. Inspections. We will do inspections, but once a day should be more than enough.
- * 6. Finality. LLI believes these issues should all be resolvable if both sides compromise. The more difficult problem is can LLI rely on these solutions? Some release of sawdust is inevitable. We do not want to be charged with violations again. The DA should agree that compliance with the actions agreed upon in this document will be sufficient. Without certainty, we cannot plan our operations with any certainty as to cost.

On behalf of LLI, you need to make an initial proposal for resolution of these issues in response to the DA's demands that will start off these settlement discussions in a positive way that you hope will lead to a good settlement for the company.